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13 June 1984

KOREAN AFFAIRS REPORT

CONTENTS

INTER KOREAN AFFAIRS

| | |
|--|---|
| Daily Assesses Kim Il-song Visit to Moscow (Editorial; CHOSON ILBO, 29 May 84) | 1 |
| Reportage on Reported U.S. Immigration Bill (YONHAP, 31 May, 1 Jun 84) | 3 |
| Foreign Ministry Alarmed Report Said 'Groundless' | |
| 'Inconsistent' Attitude of South on Sports Talks (Voice of the RPR in Korean to South Korea, 17 May 84) | 5 |
| Briefs | |
| Sports Team Plan Fails | 7 |
| Iraqi Ties With North | 7 |

SOUTH KOREA

POLITICS AND GOVERNMENT

| | |
|--|----|
| Party Differences Hinder Election Law Revision (THE KOREA HERALD, 31 May 84) | 8 |
| DKP Sensitivity on New Party Cited (TONG-A ILBO, 26 May 84) | 11 |
| Free Debates Lively in Campuses (CHOSON ILBO, 13 Mar 84) | 12 |
| DKP Meeting on Cabbies' Strike, Army Rampage (CHOSON ILBO, 31 May 84) | 15 |
| Suspension of Student Demonstrators To Be Abolished (THE KOREA HERALD, 29 May 84) | 17 |

Briefs

| | |
|--|----|
| DKP Executive Committee Members Suppress Student Demonstrations | 18 |
| | 18 |

ECONOMY

| | |
|--|----|
| Reorganization of State-Run Corporations Reported (Kim Kyong-su; MAEIL KYONGJE SINMUN, 14 Mar 84) | 19 |
| Reorganization of Industries (MAEIL KYONGJE SINMUN, 20 Mar 84) | 22 |
| Rearrangement of Unproductive Businesses General Trading Companies | |
| Revision of Commercial Law Discussed (HANGUK KYONGJE SINMUN, 17 Mar 84) | 25 |

Briefs

| | |
|----------------------|----|
| Ministry Name Change | 28 |
|----------------------|----|

FOREIGN RELATIONS

| | |
|---|----|
| ROK, Sri Lankan Leaders Speak at Seoul Banquet (YONHAP, 28 May 84) | 29 |
|---|----|

FOREIGN TRADE

| | |
|---|----|
| Ex-Minister Deplores Lack of Canadian Investment (YONHAP, 25 May 84) | 31 |
|---|----|

Briefs

| | |
|----------------------------------|----|
| Fishery Cooperation With Ecuador | 32 |
| Clarification on Cattle Deaths | 32 |

NORTH KOREA**POLITICS AND GOVERNMENT**

| | |
|---|----|
| Movie-Heroes Emulation Campaigns Urged (Editorial; MINJU CHOSON, 6 Mar 84) | 33 |
|---|----|

| | |
|---|----|
| Recent Government Reshuffle Seen as Boost for Kim Chong-il (NAEWOE T'ONGSIN, 9 Mar 84) | 38 |
|---|----|

MEDIA AND THE ARTS

| | |
|---|----|
| Kim Chong-il's Role in Literary and Artistic Revolution Praised (CHOSON YESUL, Feb 84) | 40 |
|---|----|

INTER-KOREAN AFFAIRS

DAILY ASSESSES KIM IL-SONG VISIT TO MOSCOW

SK290947 Seoul CHOSON ILBO in Korean 29 May 84 p 2

[Editorial: "Kim Il-song's Visit to the Soviet Union Assessed"]

[Text] Kim Il-song had three rounds of talks with Chernenko of the Soviet Union after arriving in Moscow on 23 May. He left Moscow on 26 May for Poland. Because of the tensions between the United States and the Soviet Union, which are continuing to aggravate the complicated situation in North-east Asia, the visit to the Soviet Union by Kim Il-song and his suite members is noteworthy enough to draw the attention of the concerned countries. However, what was discussed at the Kim-Chernenko talks has not been made public.

Meanwhile, considering the contents of the speeches by Kim Il-song and Chernenko and by Kang Song-san and Grishin and other sketchy news reports from Moscow and Pyongyang and other news analyses, we can guess what they have in mind and what they have asked for from one another. In our opinion, it is certain that Kim Il-song has been in serious trouble in recent years. Externally, the cooperative relations between the United States and Communist China have deepened, the U.S-Japan alliance has been strengthened, and South Korea and Communist China have suddenly started nonpolitical exchanges. He cannot tolerate any of these, and they are what worries him most.

Meanwhile, internally, contrary to its propaganda, North Korea's economic situation and technical backwardness are incomparably serious. This is a fact which cannot be concealed. In addition, although his eldest son Kim Chong-il has been installed in the post of No 2 man to inherit power, the unity and cohesion of the party have not yet been achieved, and the party's atmosphere is basically characterized by treacherous obedience, ideological unrest, and bureaucratic corruption and violence.

With all these problems, Kim Il-song visited Moscow to lean on the Soviet Union to frustrate the Communist China-U.S. cooperation, to receive Soviet military and economic aid for improving his home situation, and to win the tacit approval of the Soviet Union on his son inheriting power.

We can assume that Kim Il-song, at the talks with Chernenko, requested military aid and high-performance weapons, including Mig-23 and -25 aircraft. We can also easily assume that the Soviet Union has promised North Korea

high-performance weapons for the purpose of driving a wedge in the relations between North Korea and Communist China and reinforcing the anti-U.S. front in Northeast Asia. The Soviet Union has continued to offer economic and technical aid to North Korea. Many Soviet technicians have worked in North Korea. Nevertheless, Kim Il-song, while desperately hiding the Soviet aid, has continued to deceive people that he has pushed ahead with the socialist construction all by himself based on the spirit of self-reliance. Therefore, it will be no problem for the Soviet Union to offer the aid, albeit limited, of resources, technology, and finance which Kim Il-song has requested.

Too many problems still remain unsolved, however, to make their relations satisfactory. Above all, they cannot trust each other. For Kim Il-song, the Soviet Union is still a country which seeks hegemony and domination, which arrogantly opposes the personal cult for him and the succession for his son, and which always attempts to interfere in his internal affairs.

For Chernenko, Kim is an opportunist, and North Korea is a dangerous being which can turn to Communist China at any moment. In addition, Kim is an ingrate who has forgotten what the Soviet Union did for him and is ungrateful for the Soviet Union's "unselfish aid." For the Soviet Union, Kim is also an unpleasant person who takes the side of Communist China in opposing the Soviet policy on Indochina and adopts an indecisive attitude toward the Soviet invasion of Afghanistan. Accordingly, it is certain that there is a limit to Soviet aid for North Korea and that the Soviet Union attaches some conditions to helping North Korea.

All in all, Kim Il-song's visit to the Soviet Union was possible only by the common goal of countering the U.S. strategy on the Far East and frustrating Communist China's inclination toward the West. The success of Kim's visit has yet to be seen.

CSO: 4107/174

INTER-KOREAN AFFAIRS

REPORTAGE ON REPORTED U.S. IMMIGRATION BILL

Foreign Ministry Alarmed

SK310953 Seoul YONHAP in English 0934 GMT 31 May 84

[Text] Seoul, 31 May (YONHAP)--The South Korean Foreign Ministry views with concern a report that a U.S. Congressman is drawing up a bill enabling North Koreans to immigrate to the United States.

A Foreign Ministry official said Thursday that the ministry has ordered the Korean Embassy in Washington to ascertain the authenticity of the report.

The CHUNGANG DAILY NEWS reported from New York that Rep Stephen J. Solarz said Tuesday he was drafting a bill to allow North Koreans to immigrate to the United States.

Solarz, chairman of the House Subcommittee on Asian and Pacific Affairs, revealed his idea in a news conference with South Korean reporters in his office in New York, the paper said.

The paper quoted Solarz as saying he was pushing ahead with the bill on humanitarian grounds to help reunite separated Koreans.

Such an idea is a naive approach stemming from entirely disregarding the realities in North Korea and the existing inter-Korean relations, the official said.

Report Said 'Groundless'

SK010718 Seoul YONHAP in English 0711 GMT 1 Jun 84

[Text] Seoul, 1 Jun (YONHAP)--The South Korean Foreign Ministry said Friday that a report claiming that U.S. Congressman Rep Stephen J. Solarz is working on a bill to enable North Koreans to immigrate to the United States was confirmed to be groundless.

The ministry confirmed through the Korean Embassy in Washington, D.C., that Solarz had no such plan, a ministry official said.

When he was asked about the matter relating to the reunion of separated Koreans while meeting with Korean reporters in New York recently, according to the official, Solarz only revealed that he had interest in the issuance of visas for Korean residents in the United States to help them visit China to meet their relatives.

In a New York-dated story, the Korean language news paper CHUNGANG ILBO reported Thursday that Solarz was drawing up a bill permitting North Koreans to immigrate to the United States.

According to the daily, Solarz told South Korean reporters that he was pushing ahead with the idea on humanitarian grounds to help reunite separated Koreans.

He said the bill intends to let North Koreans receive U.S. visas at the U.S. Embassy in China or in other countries the United States has diplomatic relations with, according to the daily.

CSO: 4100/136

INTER-KOREAN AFFAIRS

'INCONSISTENT' ATTITUDE OF SOUTH ON SPORTS TALKS

SK220121 (Clandestine) Voice of the RPR in Korean to South Korea 1000 GMT
17 May 84

[Dialogue from the program "Echo of Public Sentiment"]

[Text] [Husband] [Words indistinct]

[Wife] What are you talking about?

[Husband] Sports Minister Yi Yong-ho. Its inconsistent, however hard I try to figure out.

[Wife] What on earth are you trying to say?

[Husband] Haven't you seen it yet? The statement about the (?Soviet Union's) announcement on not participating in the Los Angeles Olympics.

[Wife] Oh, that's what you are talking about. What do you mean by inconsistent?

[Husband] Because he said that politics and sports should be separated.

[Wife] [Words indistinct]

[Husband] Do you think he was right in saying so?

[Wife] Do you mean that politics and sports should not be separated?

[Husband] What? You, dummy woman! You should look around and think deeply before you talk?

[Wife] There is nothing to think deeply about. It is plain common sense that politics should not be involved in sports.

[Husband] It is a primary principle that politics should not be involved in sports. May I ask you a question?

[Wife] Certainly, but don't underrate me.

[Husband] Was the incident in Rangoon a political issue or a sports issue?

[Wife] What do you mean by the incident in Rangoon?

[Husband] The assassination incident which Chon Tu-hwan fabricated and staged for political purposes.

[Wife] Oh, you mean the Rangoon bombing incident. Undoubtedly it was a political incident. There was no ball kicked or [words indistinct].

[Husband] What about the two figures of the entertainment business?

[Wife] What do you mean by that?

[Husband] The issue of Mr Sin Sang-ok and Mrs Choe Un-hui who fled to East Europe.

[Wife] Do you think that I am [words indistinct]? Who would say that it is a sports issue? It is the most political of all political issues.

[Husband] Go on answering my questions. Do you know what is happening in Panmunjom these days?

[Wife] North-South sports talks.

[Husband] Are they really sports talks?

[Wife] Don't you know they are sports talks? Are you implying that I don't know sports talks and political talks?

[Husband] Then I will ask one final question. If the political issues such as the Rangoon incident and the fleeing of Mr Sin Sang-ok and Mrs Choe Un-hui are raised in the North-South sports talks, was Sports Minister Yi Yong-ho right when he said that politics and sports should be separated?

[Wife] Now I see why you pressed me with the questions.

[Husband] That is why I said that it is inconsistent--the words and actions are different. Moreover, they are shifting the blame onto the North for the abortive first round of sports talks. This is utterly shameless.

[Wife] It is Chon Tu-hwan and his ring that are ready to talk two conflicting things, that are shameless, that are different inside and outside, and that are different in words to one person and in an action toward another. I know that well.

CSO: 4110/110

INTER-KOREAN AFFAIRS

BRIEFS

SPORTS TEAM PLAN FAILS--Seoul, 1 Jun (YONHAP)--South and North Korea have failed in effect to form a single inter-Korean team for the Los Angeles Olympics as the North has made no response to the South's proposal for convening the fourth session of sports officials meeting Friday, one day before the entry deadline for the Summer Olympic Games. Three earlier rounds of the inter-Korean sports officials meeting to discuss forming single teams to compete in the Los Angeles Olympic Games and other international sports events have ended without bearing fruit. Chong Chu-yong, chairman of the (South) Korean National Olympic Committee, sent a letter Tuesday to his North Korean counterpart Kim Yu-sun proposing the fourth meeting be held Friday, but received no response from the North. In the third meeting held on May 25, the two sides had agreed to decide the date for the fourth meeting through exchanges of letters. An official at the South Korean Olympic Committee said that the participation of a single inter-Korean team in the Los Angeles Olympics was aborted by the North, but emphasized that the inter-Korean sports talks should continue to form joint teams to compete in other future international sports events and for promoting sports exchanges between the two Koreas. [Text] [SK010307 Seoul YONHAP in English 0258 GMT 1 Jun 84]

IRAQI TIES WITH NORTH--Seoul, 31 May (YONHAP)--Iraq planned to resume its diplomatic relations with North Korea under a condition that the communist nation halt arms shipments to Iran but has withheld the plan for the time being, a South Korean Government source said Thursday. Noting that Baghdad broke off diplomatic ties with Pyongyang to retaliate for North Korea's arms deliveries to the Iranians since the beginning of the Iran-Iraq Gulf war 44 months ago, the source said North Korea recently offered to suspend arms sales to Iran as a precondition for the diplomatic relations. Despite an earlier favorable response to North Korea's suggestion, Iraq made it clear recently that it will resume diplomatic relations with North Korea after confirming Pyongyang's actual steps for the suspension of arms exports to Iran, the source said. Iraq established diplomatic ties with North Korea in 1968. [Text] [SK310557 Seoul YONHAP in English 0546 GMT 31 May 84]

CSO: 4100/136

PARTY DIFFERENCES HINDER ELECTION LAW REVISION

SK310025 Seoul THE KOREA HERALD in English 31 May 84 p 4

[Text] The start of planned interparty negotiations on a revision of the National Assembly Election Law may be postponed until next week. Rival parties earlier planned to begin the talks this week.

The possible postponement comes as the ruling party and the largest opposition party lock horns over who will represent them at the behind-the-scene negotiations.

The ruling Democratic Justice Party (DJP) wants secretaries general of the parties to be in charge of the talks. The moderate opposition Korea National Party (KNP) supports the ruling party's idea. But the main opposition Democratic Korea Party (DKP) opposes it. The DKP is considering appointing the chairman of its ad hoc panel on the law revision as chief negotiator.

Leaders of the DJP and the DKP are expected to meet this week to work out solutions for the problem of representation.

Political observers say the opposition DKP may eventually make a concession on the problem and that interparty negotiations could start next week.

Rough sailing is expected because the party in power appears to be cool to the minority parties call for a "drastic and substantial" change in the three-and-a-half-year-old law.

Asserting that the current law has no major problems with regard to conducting the upcoming parliamentary elections freely and fairly, the ruling DJP is in favor of only minor changes.

Most of all the main opposition DKP wants a change in the parliamentary proportional representation system which would enable minority parties to gain a larger share.

The government party stands opposed to any change in the system, saying that the party that wins the election should maintain a majority in the National Assembly for the sake of political stability.

Under current measure, the party that wins the election is entitled to two-thirds of the 92 seats set aside for proportional representatives. The 92 represents one-third of the total parliamentary membership of 276. The rest, 184, are elected popularly.

The DKP asserts the 92 seats should be shared in proportion to the aggregate number of votes or the number of parliamentary seats each party wins in the elections.

The moderate opposition KNP urges that the seats reserved for proportional representatives should be reduced to 61 or 62 from the present 92.

An interparty tug-of-war is also expected over the issue of increasing the number of parliamentary electoral districts.

At present, the government party is opposed to any increase in constituencies, saying that it is appropriate for the country to maintain the current number of parliamentary seats.

The opposition DKP wants seven to 10 electoral districts to be added to the present 92 constituencies.

Those districts whose population exceeds 500,000 should be divided, says the party, pointing out that it is unfair that about 800,000 people in Seoul's Tong-daemun electoral district elect only two lawmakers, while less than 200,000 persons in the Muju-Chinan-Changsu areas pick the same number of legislators.

Other constituencies in Seoul whose population already exceeds 500,000 include Sodaemun and Tobong.

Among the overly populated districts in provincial areas are Anyang-Sihung-Kwangmyong, Songnam-Kwangju and Suwon-Hwasong in Kyonggi-do, Chonan-Asan in Chungchongnam-do, Ulsan-Ulju in Kyongsangnam-do, Chung-sogu in Taegu, Tongnae in Pusan, and Chung-Namgu in Inchon.

Yet political sources would not rule out the possibility that policy planners of the ruling party may divide a few of the population constituencies.

The smaller opposition KNP, however, maintains that up to three or four lawmakers should be elected from each of those populous districts, instead of dividing them. Currently, two legislators represent each of the 92 constituencies through the country.

Many political observers say they believe the opposition parties' harsh tone is a tactical ploy to put pressure on the ruling party. They predict their tone may soften if the party in power accepts their minor demands.

The government party is said to have responded favorably to the opposition call for raising the frequency of joint campaign rallies, and increasing the number of partisan voting and ballot-counting observers as well as the number of campaign placards candidates are permitted to display.

The main opposition DKP also wants individual candidates' and party-sponsored campaign rallies revived.

A senior DKP official says this party will also go ahead with its long-standing proposal to prevent chiefs of the administrative units of "dong," "ban" and "ri" from joining any political group, especially the ruling party. "We fear the heads of such units could influence elections even though they are not public officials," he explained.

CSO: 4100/137

S.KOREA/POLITICS AND GOVERNMENT

DKP SENSITIVITY ON NEW PARTY CITED

SK280306 Seoul TONG-A ILBO in Korean 26 May 84 p 2

[From column "Tidbits"]

[Text] DKP officials showed interest in the rumor of a pan-national united conservative party which started to spread after former president of the now-defunct Democratic Republican Party Kim Chong-pil and former representative of the now-defunct New Democratic Party Yi Chol-sung met on 17 May for playing golf together. They showed interest also in the rumor spreading in political circles on the formation of a pure opposition party by lawmaker Hwang Myong-su and Mr Choe Hyong-u, who has been freed through the second-phase lifting on the political ban.

Ko Chae-chong, KDP's National Assembly vice speaker, said: The founding of a new political party depends on how and when the third-phase lifting of the political ban will take place. However, at present, there is no way of knowing of its scale and time.

He said that he was wondering if the third-phase lifting of the political ban would free so many people as to be enough to found a new party.

Meanwhile, DKP Secretary General Yu Han-yol was not worrying about the rumors at all. He said: If we look back at the history of our constitutional politics, so many third and fourth party continued to come and go. But none of them was successful. At present, they say this and that. But, eventually, all opposition figures will unite as one with the DKP at its center.

CSO: 4107/173

FREE DEBATES LIVELY IN CAMPUSES

Seoul CHOSON ILBO in Korean 13 Mar 84 p 11

[Text] After the withdrawal of the police from college campuses, "self-regulation" is slowly taking root.

Not letting the opportunity to regulate themselves autonomously pass, lively and ambitious debates are going on continuously everyday at various colleges and universities. The National Protection Student Corps of various colleges and universities take the pain of drawing up measures to constrict such a new student atmosphere. In the midst of these developments, and despite the fact that it is still the early part of the semester, lecture rooms and libraries are packed, and students are full of enthusiasm for learning. Thus, campuses are unprecedentedly filled with liveliness.

The students of the Seoul National University called meetings separately by its colleges and departments during recess between 11:00 am and 5:00 pm on 12 [March] to elect Campus Self-regulation Promotion Subcommittees.

The subcommittee meetings were called in accordance with the resolution of the self-regulation promotion committee meeting held on the 9 [March], with the participation of more than 1,000 Seoul National University students. In order to make the self-regulation promotion committee more active, they decided to create four subcommittees--school rules, education, culture and speech--in each department.

At the promotion subcommittee meeting of the Department of Trade, held at 12 noon in room 214 of Building 7 of the College of Social Sciences, with the participation of more than 60 students, the student representative of the department, Kang Dong-ho (a 20-year old junior) stressed that, "Even though self-regulation is handed down to us, we must defend and nurture it by ourselves." Another said: "Since the problems of the university and the societal phenomena are linked, the university alone cannot deal with the problem." Still another student said: "If the problem of the university is regarded solely as the problem of the students and the faculty, the autonomy of the students and the faculty must be guaranteed first." Another said: "The university authorities must revive the faculty council." Thus a variety of opinions were expressed at the meeting.

After the meeting, the student representative of the department, Kang said: "As there was so much debating on the autonomy, the election of four promotion committee members, which was originally scheduled for today, has been postponed until tomorrow." He went on: "Unlike before, when students felt intimidated to express their views due to the presence of plain-clothes policemen, today they did not have to worry about it and accordingly it became a lengthy meeting. A certain student Son (a 26-year old senior in political science), who has returned to school after serving in the military, also stated, "The first feeling I had when I returned to school was that the students have become free and lively."

At 1:00 pm on 10 [March], 1000 female students attended the gathering called the Intorduction of Circles for the Freshmen. The lively atmosphere of this gathering also was never seen before.

The students who gathered in the open square in front of the library were entertained by more than 20 members of the Folk Masque Society who danced joyously to the tune of gongs. Boiled pork and rice wine were prepared, and a prayer was offered to the "land god of democracy." Following this, 45 circles of the National Protection Student Corps competed against each other by publicizing special features of their activities to attract new members. A student who is a member of the Folk Masque Study Society remarked with a smile that, "Had such activities taken place in the past, we could have been arrested right away by mistake under the suspicion of campus demonstration." Even though there were big debates on the 6th and the 9th, unlike before, inflammatory or extremist political slogans were absent.

For the purpose of implementing the questions brought up during the open debate for school democratization held on the 9th and 12th, the National Protection Student Corps has decided to call a second open debate forum in the near future.

The school authorities have shown positive response to the first open debate since it had no connections with the campus unrest. They expressed their interest in school officials' actively participating in student assemblies.

Although the students who participated in the celebration of Worker's Day shouted slogans such as "guarantee the three rights of labor," they voluntarily dispersed themselves after 50 minutes. Worker's Day was sponsored by the League of the 52 Circles, and was held from 11:00 am on the 10th.

According to the League of Circles, it plans to hold a weekly "Friday Assembly" from 4:00 pm in front of the Assembly Hall, with programs including debates, scribbling, painting, songs and mask dances.

At the Korea University, the National Protection Student Corps also called a standing committee meeting and discussed the formation of the Self-regulation Promotion Committee.

On that day, more than 3,300 freshmen of the Korea University, who were required to receive military training had already gone to the Munmu Training Station for joint barrack training and many other students had gone to the

Jamsil Sports Center to root for their school basketball team which was playing against Yonsei University. Nevertheless, the university library was packed.

Kim Ho-sun, a 22-year old junior majoring in international politics commented: "Unlike before, students are now serious about their studies. The reason why the students work this seriously despite the fact that they no longer have to worry about disqualification since the reform of the quota system on the graduates seems to be that they want to make the hard-won self-regulation opportunity good." The National Protection Student Corps of the Ewha University was also busy calling its standing committee meeting to discuss various issues related to the self-regulation.

Other universities like Sung Kyun Kwan University, Hanyang University, Tongkuk University, and Konkuk University, also appear to be busy dealing with the questions arising from the self-regulation.

But, behind the facade of such change on the college campuses, there still remains a feeling of suspicion.

In preparation for possible future campus demonstrations, the officials of all these schools are taking pains to draw up measures such as "The Sectional Security Plan," in which professors are given the responsibility of maintaining the security of particular sections of the campus.

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CSO: 4107/125

DKP MEETING ON CABBIES' STRIKE, ARMY RAMPAGE

SK310425 Seoul CHOSON ILBO in Korean 31 May 84 p 3

[From the column "News Behind News"]

[Text] In regard to the DJP's shirking of calling a meeting of the National Assembly floor leaders of the major political parties and its refusal of handling the recent incidents at the National Assembly, the DKP, on 30 May, called a joint meeting of its National Assembly floor leader and deputy floor leaders and its members of the Transportation and Communication, Health and Social Affairs, and Home Affairs Committees of the National Assembly which have to do with the recent cabdrivers' demonstration in Taegu. Thus, the DKP cooled off the fever over the incident itself by deciding to form its own investigation team.

Lawmaker Kim Un-ha, who has continued to serve as a member of the Transportation and Communication Committee throughout his six National Assembly terms, and other lawmakers, including Ko Phong-hyon, Pak Kwan-yong, Son Chong-hyok, and Kim Chan-u, all said: The campus demonstration can be regarded as a symbolic issue. But the Taegu demonstration is a serious social problem, because it is workers' resistance for the right to exist.

They pointed out the lack of communication between employees and employers, the transportation administration strictly in favor of the owners of transportation companies, and the systematic defects in their operations as problems.

They criticized the ruling party for refusing to handle the incident at the National Assembly. They said: It is wrong to refuse to handle such a grave incident at the National Assembly.

Meanwhile, at the meeting, lawmakers Chong Chin-kil, Kim Tok-kyu, and Kim Nosik, who had returned from Tongduchon after participating in the investigation of the incident there as DKP members of the National Defense Committee of the National Assembly on the afternoon of 29 May, reported on the results of the investigation.

Lawmaker Chong Chin-kil said: The military authorities say that the incident was violence committed under the influence of alcohol. But this was an out-break of the problems in the commanding system of the army such as the phenomenon of using troops for private purposes, the defects in the control of military personnel, and the easygoing attitude normally taken in handling incidents on their initial stage.

CSO: 4107/173

SUSPENSION OF STUDENT DEMONSTRATORS TO BE ABOLISHED

SK290122 Seoul THE KOREA HERALD in English 29 May 84 p 8

[Text] College student activists may not be suspended from school against their will beginning next semester. In the past, students so suspended were inducted into the military service.

Officials at the Ministry of Education said yesterday abolishing the system of suspending students from school for involvement in campus disturbances is being considered.

Giving universities and colleges a freehand in recruiting professors is also being considered, these officials said.

The proposed changes in the government policy concerning academic affairs at colleges follow a series of demonstrations on college campuses across the country.

Student committees for campus autonomy have been calling for an immediate end to military conscription of student activists.

Other demands include no government interference with the recruitment of faculty members and more freedom in the students' extracurricular activities.

Ministry officials said they are studying ways to give more flexibility to the implementation of the three-year-old graduation quota system. The system calls for college authorities to drop a certain percentage of students based on academic performance.

Ministry officials said interministry consultation is under way to solve overall problems facing colleges. Revision of ministry regulations governing the draft system and strict screening of faculty members are two steps under study.

Any final decision on these policy changes will come before the start of the fall semester, officials said.

At present university and college presidents can suspend leaders of student demonstrations from school. Most suspended students are then faced with three years of military service because they lose their military deferment service.

BRIEFS

DKP EXECUTIVE COMMITTEE MEMBERS--Yu Chi-song, president of the opposition Democratic Korea Party, yesterday appointed five former opposition politicians who entered the party last month to serve as new members of the party's decision-making Executive Committee. The five are Yi Chung-chae, Pak Hea-chung, Hwang Nak-chu, Pak-il and Kim Yun-tok, all former lawmakers of the now disbanded opposition New Democratic Party. They are among a group of 20 former opposition politicians who joined the party on April 6 after being removed from the political ban. With the five added, the total membership of the panel increased to 26. The committee is chaired by party leader Yu. [Text] [SK250055 Seoul THE KOREA HERALD in English 25 May 84 p 1]

SUPPRESS STUDENT DEMONSTRATIONS--Police have developed a new means to suppress student demonstrations. It is spraying inky water against demonstrators. Riot police sprayed inky water against about 100 demonstrating students trying to storm out of Hankuk University of Foreign Studies around 4 p.m. Tuesday. The police also fired tear gas shells. The students responded by throwing stones at the police. Some threw Molotov cocktails. A student demonstration also took place at Hanyang University around 6 p.m. Tuesday. About 600 students enrolled at night courses participated in the demonstration. [Text] [SK310028 Seoul THE KOREA HERALD in English 31 May 84 p 8]

CSO: 4100/137

REORGANIZATION OF STATE-RUN CORPORATIONS REPORTED

Seoul MAEIL KYONGJE SINMUN in Korean 14 Mar 84 p 3

[Article by Correspondent Kim Kyong-su]

[Text] Guidelines for reorganizing the 25 state-run corporations have been prepared. These guidelines contain details not spelled out in the basic law of the enforcement decree. The contents of the guidelines are explained below in a question-answer format.

[Question] What is the background for preparing these guidelines?

[Answer] According to the basic law on managing state-run corporations which became effective on 1 March the 25 state-run corporations must reorganize their management structure within 3 months from the time that this law went into effect.

Because there have been no guidelines to serve as standards in reorganization, the actual reorganization by these corporations on their own has been difficult.

Accordingly, these guidelines provide a framework for reorganizing the state-run corporations by specifying details that were not spelled out in the basic law or the enforcement decree.

[Question] Should the state-run corporations conduct the reorganization based exclusively on these guidelines?

[Answer] These guidelines are merely a presentation of the necessary standards and, therefore, are not compulsory.

Individual corporations can conduct reorganizations autonomously providing that they do not deviate markedly from the standards specified in the guidelines.

These guidelines are not compulsory, as the aim for the structural improvement of the state-run corporations is to make them more autonomous and responsible in their management practices.

[Question] What will be the number of directors and how many times a year will they meet?

[Answer] There can be ten or fewer directors in the reorganized board including the non-standing chairman, the president, and two standing directors (directors general or higher level public officials at the Economic Planning Board and the department in charge).

As a general rule, board meetings will be held four times a year--once every quarter.

[Question] What about the question of pay for the chairmen?

[Answer] As a general rule, salaries will not be paid. However, a certain amount will be paid each month to cover expenses incurred in the conduct of business.

In addition, an office and a car may also be provided.

[Question] What will be the number, title, and term of office of the executive officers who are equivalent to directors?

[Answer] First, the number can be determined by individual corporations; thus, most of the state-run corporations are expected to choose a number similar to the current number of directors.

The titles may be head-office chief, director general, office manager, and so on, but they will have to be standardized among the corporations of a similar nature as among the financial institutions.

The term of office will be three years, but, when a current director is appointed as an executive office, his term will include the length of time he has already served as director.

[Question] Who will appoint the executive officers and what will be those procedures?

[Answer] The president will appoint them from among the internal employees after he accepts en masse resignations from all the current director-class staff.

[Question] What will be the retirement age for the executive officers?

[Answer] Individual corporations can determine that based on particular conditions in their corporations within the maximum age of 61.

[Question] What will be the function of a vice president, if one is appointed?

[Answer] It can be a line function such as making decisions prior to the president's or a staff function by acting for the president in his absence.

In case the vice president has a line function, regulations on the delegation of his decision-making authority must be prepared so that he may have full responsibility within the scope specified in the regulations.

[Question] Can the state-run corporations hire outsiders from now on?

[Answer] Although the executive officers are to be appointed only from the inside, specialists ranking lower than department managers in the foreign-capital contract, computer, law, development of science and technology and other areas can be hired from the outside. These specialists can also be hired on a temporary basis.

[Question] Is it true that the current deputy department manager positions will be eliminated?

[Answer] All the deputy department manager positions at head offices will be eliminated. This is to shorten the present complicated system of sanctions from the employee-representative-section chief-deputy department manager-department manager-director-vice president-president stages to the contemplated employee-representative-section chief-department manager-executive officer-(vice president)-president process.

However, it will be permitted to have section chiefs at head offices appointed as deputy department managers or to have persons with deputy department manager-class assignments be installed so that the actual process of sanctions is shortened.

When deputy department managers are appointed between section chiefs and department managers in exceptional cases, they should not be part of the sanction process but just examiners, technicians, investigators, and so on.

[Question] What about the rumored introduction of the retirement-by-rank system?

[Answer] When necessary, based on the particular nature of the corporation, the retirement-by-rank system can be introduced for different job classifications.

However, this is not a compulsory regulation and, therefore, individual corporations can make such decisions autonomously.

12518
CSO: 4107/133

S. KOREA/ECONOMY

REORGANIZATION OF INDUSTRIES

Rearrangement of Unproductive Businesses

Seoul MAEIL KYONGJE SINMUN in Korean 20 Mar 84 p 2

[Article: "Rearrangement of 198 Unproductive Industries"]

[Text] The number of enterprises identified by financial organs as unproductive and currently undergoing rearrangement totals 198.

According to a statement of the Ministry of Finance on 20 March as of the end of last year, the number of enterprises that were identified autonomously by the financial organs as unproductive enterprises to be disposed of was 105 and the number to be regularized was 93, for a total of 198 enterprises undergoing rearrangement.

The financial organs have completed disposal of 23 of the 105 that are to be disposed of and regularization through sale of 5 of the 93 to be regularized.

The government plans to encourage the rearrangement of unproductive enterprises again this year in order to expand the financial organs' profit base. To do so, it plans to include the results of unproductive enterprise rearrangement in its evaluations of bank management.

As an example of one planned action, the financial organs have decided to intensify their recovery of loans that are in arrears while strengthening sanctions against unresponsive clients.

In cases where loans are six or more months in arrears, the guideline is to enforce thoroughly the regulations that disallow any new loans, guarantees of payment or establishment of current accounts, and freezing already existing current accounts.

General Trading Companies

Seoul MAEIL KYONGJE SINMUN in Korean 20 Mar 84 p 1

[Article: "Functional Revision of General Trading Companies Urgent"]

[Text] The volume of trade is rising higher than ever before. As a result, it seems to be time to reconsolidate our export front line.

In a report titled "Korea's Trade Development and the Role of General Trading Companies," the Korean Economic Research Center of the National Management League asserted that revisions in the general trading company system are urgently needed for the raising of quality in foreign trade practices.

To improve the system the report set forth proposals to include the transformation of domestic general trading companies from their status as export windows for enterprise groups to total specialized trading companies, the realignment of the existing 10 companies, and the expansion of import functions. The following is a summary of the important content of the report.

The Differences between Korea and Japan

The Difference in Form: "The composition of sales of Japanese general trading companies consists of 50 percent domestic, 20 percent export, 20 percent import, and third-party dealings of 10 percent. In our country, the export percentage is 80-90 percent.

In other words, the Japanese general trading companies basically have their foundation in domestic demand whereas the Korean companies have very insecure foundations that are extremely dependent on foreign markets.

The Difference in Function: Japan's general trading companies do not engage in manufacturing activities, devoting themselves to distribution functions.

Japanese companies handle not only general commodities but also technology and know-how and they form strong group relations by offering to their clients trading, financial, managerial, and technical guidance as well as providing secure supplies of raw materials to medium and small businesses.

By contrast, Korea's general trading companies are not able to go beyond their role as export windows for enterprise groups.

Also, Korean companies push export activities for the products of their own companies or branch companies first while only incidentally acting as agents for the export of other companies' products. In particular, by engaging directly in manufacturing activities they become competitors with other medium and small businesses.

In their overseas activities, the Japanese general trading companies fulfill the function of organizer by establishing a support system that appropriately coordinates the activities of several producers in order to be able to meet the demands of buyers more exactly. In order to build a secure demand base for Japanese products, the Japanese companies fulfill a consulting function that ascertains the other countries' technological capabilities as well as their ability to pay. They are transforming their functions from that of direct importing to development importing.

Korean companies are interested in such functions but are incomparably far behind.

Direction for Improvement

Eight of the 10 general trading companies are concurrently engaged in manufacturing and cannot fulfill their trading functions properly. These companies must be reorganized as total trading or distribution enterprises.

Only in this way can they realize the benefits of specialization and increase the amount of their general trading company functions as export-oriented manufacturers to realize the benefits of economies of scale.

In particular, the existence of 10 companies in Korea as compared to only nine in Japan is too many considering the volume of trade of the two countries. They cannot realize the economy of large scale operations.

In Japan's case, each general trading company has an average of 103 overseas branches.

If, for example, we reduce the number of our trading companies from 10 to five or six, we can double the number of overseas branches for each company and increase our ability to pioneer new markets.

We must realign into large organizations, not by forced realignment but by the market mechanism.

Also, we must encourage general trading companies to engage in expanded domestic and import business.

Domestic business provides stability in times when overseas markets are in recession and helps to prevent the possibility of the export of defective products.

Expanding import activities lies at the heart of general trading companies. Large-scale import business enhances negotiating power when making import contracts, lowering purchase costs and cutting per unit distribution costs.

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CSO: 4107/138

REVISION OF COMMERCIAL LAW DISCUSSED

Seoul HANGUK KYONGJE SINMUN in Korean 17 Mar 84 p 1

[Text] New provisions that are to be added to the Commercial Law reflect socio-economic changes of the last 20 years. The amendment to the Commercial Law which is slated to be discussed in the plenary session of the National Assembly on the 17th, calls for restriction on the acquisition of stocks and on the mutual holding of equity shares to discourage indiscrete growth of business conglomerates. The amendment reflects reality by setting minimum capital of joint-stock companies at 50 million won. It also extends the tenure of board of directors and auditors by 1 year thereby strengthening the power of auditors to be in charge of business audit as well as accounting audit.

This revision of the Commercial Law subsidiaries from acquiring the stock of their parent firms if the latter own more than 40 percent of the entire equity of the former, that is, restricting the return of the investment funds into the parent company by means of mutual investment.

The bill allows, as an exceptional measure for the acquisition of stocks, subsidiaries to acquire the stocks of the parent company in the case of merger or takeover of a company's business rights and when it is necessary to achieve the goal of a company exercising its right.

Even in this case, however, the amendment stipulates that the subsidiaries must dispose of the newly acquired stocks of the parent firms within 6 months from the date of acquisition.

Another feature of the amendment is the restriction that when company A holds stocks of more than 10 percent of company B, it cannot have voting rights. This is to discourage the mutual holding of equity which has indiscretely used for the expansion of business of big companies. Violators of the provision can be fined more than 20 million won.

As a traditional measure, the supplement of the revised bill stipulates that the stocks that are acquired from parent firms by the subsidiaries prior to the enforcement of the legislation must be disposed of within 3 years after the amendment goes into effect.

Also, it guarantees the transfer of stock shares by stipulating that the transfer of equity prior to the issuance of stock certificates would become effective 6 months after a firm is incorporated or after the new share subscription deadline.

It provides a new stipulation that the minimum capital of joint-stock companies be 50 million won and that of limited companies 10 million won. It also adjusted upward the face value of stock from above 500 won to above 5000 won and the face value of private loans from above 100 won to above 10,000 won.

The amendment greatly reinforces the power of auditors by allowing them the power of business audit in addition to the accounting audit which is allowed under the current law. It also extends the tenure of boards of directors from the present terms of 2 years to 3 years and those of auditors from the present 1 year to 2 years.

The quorum required for a board of directors is relaxed from the consent of the majority of the entire membership to that of the majority of members present.

Table of Differences Between the Old and New Commercial Law

| <u>Category</u> | <u>Current System</u> | <u>Final Version of the Amendment</u> |
|---|--|---|
| Prohibition of the Acquisition of Stocks | No | Subsidiaries cannot acquire stocks of their parent company if the latter owns more than 40 percent of total stocks of the former, except in the case of merger or takeover. However, they must dispose the stocks within 6 months |
| Restriction on the Mutual Holdings of Stock | No | Exercising a voting right is prohibited in the case of acquiring more than 10 percent of stocks of another company |
| Transfer of Stock | Not effective prior to the issuance of stock certificate | Effective 6 months after the establishment of a company and new share subscription payment |
| Minimum Amount of Capital | No limit | 50 million won for joint-stock company; 10 million won for the limited company |
| Face Value of Stock | Above 500 won | Above 5,000 won |
| Face Value of Private Loan | Above 100 won | Above 10,000 won |

| <u>Category</u> | <u>Current System</u> | <u>Final Version of the Amendment</u> |
|----------------------------------|---|---|
| Term of Auditors | 1 year | 2 years |
| Power of Auditors | Accounting Audit | Business audit as well as accounting audit |
| Term of Board of Directors | Not longer than 2 years | Not longer than 3 years |
| Dividend | In cash only | Pay in stocks up to one half of the share |
| Resolution of Board of Directors | Majority of the total members | Majority of members present |
| Issuance of Private Loan | Not more than the total amount of capital and reserve fund | Up to two times of the total amount of capital and reserve fund |
| Penalty Provisions | Upper limit of penalty: 2 million won-- Negligence fine: 600,000 won | Upper limit of penalty; 10 million won Negligence fine: 2 million won In the case of violation of mutual holdings of stocks, more than 20 million won penalty |
| Transitional Measures | No | Stocks acquired from the parent company by subsidiaries must be disposed within 3 years |
| Effective Date | -- | From the date of promulgation |

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S.KOREA/ECONOMY

BRIEFS

MINISTRY NAME CHANGE--Seoul, 23 May (YONHAP)--The government has changed the English name of the Ministry of Commerce and Industry to the "Ministry of Trade and Industry." An official said Wednesday that the ministry's current name in the Korean language will remain unchanged. [Text] [SK230510 Seoul YONHAP in English 0016 GMT 23 May 84]

CSO: 4100/137

S.KOREA/FOREIGN RELATIONS

ROK, SRI LANKAN LEADERS SPEAK AT SEOUL BANQUET

SK281249 Seoul YONHAP in English 1245 GMT 28 May 84

[Text] Seoul, 28 May (YONHAP)--President Chon Tu-hwan said Monday South Korea pursues an open-door policy to help create a harmonious, fair and just world free from violence.

At a banquet held at his residence in honor of Sri Lanka President Junius Richard Jayewardene and his wife, Chon said the existing friendship between Korean and Sri Lanka would develop into "a true partnership which will effectively serve the two countries' efforts to join the rank of advanced nations."

"If our two Asian nations actively participate in South-South cooperation through exchange of our experiences of development, we will both be able to attain our goals more rapidly," Chon said.

Jayewardene and his party flew into Seoul Sunday for a four-day state visit at Chon's invitation.

Chon last October planned a visit to Sri Lanka as part of his Southwest Asian tour but called it off because of the North Korea-engineered Rangoon bombing which killed 17 South Koreans including four cabinet members.

Expounding his government's stand on the inter-Korean question, Chon said despite Seoul's continued efforts to have direct dialogue with Pyongyang to reduce tension on the Korean peninsula and achieve a peaceful reunification of the divided nation, Pyongyang had not only turned its back to the "constructive overtures" but has also carried out "terrorist activities around the world to which the Rangoon bombing atrocity bears witness."

"The Korean question must be solved by peaceful means, not by war. To this end, the two parties directly concerned must sit together and talk," Chon emphasized.

In response to Chon's remarks, Jayewardene said Sri Lanka and South Korea have forged "a commendable partnership" especially in economic, social and cultural activity.

Such a partnership will further expand not only in exchanges between the two countries but also in international and other regional forums, he said.

Noting that the most serious threat to political stability is likely to arise from economic stagnation and social injustice, the Sri Lankan president called upon the industrially advanced Western countries to "address their minds more closely to the economic development problems of the developing countries in order to ensure that they derive the maximum benefit from participating in the international economic system."

"The goals of political stability and economic progress are complimentary. Political stability is an essential pre-condition for economic growth. At the same time, a country's economic vibrancy is, in itself, a reflection of the determination of its people to harness their political will in the cause of economic progress," Jayewardene said.

He said he is confident that Korea, under Chon's leadership, will "continue to make a distinctive contribution in the quest for international peace and justice, for the prosperity and well being of all people."

The banquet was attended by some 130 prominent persons from all walks of society.

CSO: 4100/137

S.KOREA/FOREIGN TRADE

EX-MINISTER DEPLORES LACK OF CANADIAN INVESTMENT

SK250122 Seoul YONHAP in English 0215 GMT 25 May 84

[Text] Vancouver, 24 May (YONHAP)--Former Korean Finance Minister Yi Sung-yun has deplored Canada's poor investment in Korea and called for closer economic ties between the two nations.

Korea is continuing to improve the climate for foreign investment as exemplified by its plan to eliminate the equity limit for foreign investors in July, but Canada's investment in Korea totaled only 379,000 U.S. dollars as of the end of 1983, Yi said at a meeting of the Canada-Korea business association in Vancouver Thursday.

Noting the complementary nature of the two economies, he suggested a "combination of Canadian technology and Korean services and products," which could jointly penetrate markets in other countries.

Canadian companies have been offered an easy ride into world markets on the back of the highly successful South Korean construction industry, the province, a local newspaper here, said in referring to Yi's suggestion.

Meanwhile, a Korean delegate to the PBEC meeting harshly attacked developed nations for increasingly resorting to "neo-protectionist" measures.

Representing the views of Korean private industry, Hyundai Heavy Industries President Chong Mong-chun told the gathering of leading world industrialists that non-tariff barriers were hindering Korea's access to their markets.

Noting that neo-protectionist measures such as quotas were aimed at exports of specific nations such as Korea, Chuong called for an immediate moratorium on them.

To the obvious delight of the delegates of the developing nations, Chong added that there can be no Pacific community as long as Korea and other developing countries try to open their markets to developed nations, while developed countries are doing the exact opposite thing.

The four day PBEC meeting closed Thursday after admitting Korea and Taiwan as full members.

CSO: 4100/137

S.KOREA/FOREIGN TRADE

BRIEFS

FISHERY COOPERATION WITH ECUADOR--Seoul, 22 May (YONHAP)--South Korea and Ecuador Tuesday signed an agreement for fishery cooperation between the two countries. South Korean Foreign Minister Yi Won-kyong and Ecuadorean Ambassador in Seoul Augusto Perez Anda signed the pact at the Foreign Ministry office on behalf of their countries. The agreement calls for training workers and exchanging fishery information, providing assistance to fishing crews operating in each other's water, cooperating in fishery techniques and establishing a joint committee for fisheries cooperation. [Text] [Seoul YONHAP in English 0231 GMT 22 May 84 SK]

CLARIFICATION ON CATTLE DEATHS--Seoul, 25 May (YONHAP)--Agriculture and Fisheries Minister Pak Chong-mun said Friday that out of 74,164 cattle that South Korea imported last year 4,544, or 6.1 percent, died on route or had to be slaughtered because of poor health. The loss among U.S. cattle was much higher than the average with deaths accounting for 11.4 percent of the total 28,996 shipped to South Korea last year, Pak said. Pak was reporting to the National Assembly's Agriculture and Fisheries Committee which was called into session to deal with the case and others. However, Pak said that no harm came to Korean farmers as the loss was completely compensated. An analysis showed that the higher number of deaths among U.S. cattle was chiefly attributed to the weakening of the cattle's health by severe summer heat, the stress of long transportation, hunger and bad ventilation, he said. The ministry has asked the U.S. Government to clarify the reasons for the high incidence of deaths and to take appropriate measures, Pak said. The ministry also has decided to improve the buying conditions of foreign cattle, Pak said. Meanwhile, Rep Kim Chin-pae of the leading opposition Democratic Korea Party maintained that the loss among U.S. cattle was as high as six times the loss among Canadian cattle. Rep O Sang-hyon of the same party called for the diversification of import sources of agricultural produce and livestock pointing out that 1.17 billion U.S. dollars worth of farming products, or 75 percent of the total value of farming products imported, came from the United States. [Text] [SK250712 Seoul YONHAP in English 0701 GMT 25 May 84]

CSO: 4100/137

MOVIE-HEROES EMULATION CAMPAIGNS URGED

Pyongyang MINJU CHOSON in Korean 6 Mar 84 p 1

[Editorial: "Let Us Carry Out the Movie-Heroes Enacted Struggle Even More Forcefully"]

[Text] We are faced today with the militant task of upholding the New Year's Address of the great leader Comrade Kim Il-song and the letter sent to all party members by the Party Central Committee and forcefully furthering socialist economic construction to finish ahead of time the Second 7-Year Plan and to occupy successfully the 10 great prospective goals of socialist economic construction.

In order to carry out successfully this mammoth task under the complicated conditions which have been created in our country today, we must prepare solidly all functionaries and workers as the indomitable revolutionary fighters required by the 1980's.

In order to prepare all people as the stout revolutionaries required by the 1980's, we must strengthen political ideology indoctrination work among them; in particular, it is important that we carry out forcefully ideology indoctrination work through movies, continuing to intensify the work of following the models of the indomitable revolutionary fighters of the past who were loyal to the party and the revolution.

Forcefully carrying out the movie-heroes enacted struggles among the functionaries and workers is an original, powerful ideology indoctrination method set forth by our party.

The indomitable revolutionary fighters portrayed in the movies made recently under party leadership are typical of the true revolutionary who has a clear revolutionary world view and is loyal to the great leader.

Following the model of such revolutionary fighters as the young communists is an important work for guaranteeing the succession of our revolution. We must adopt and continue the spirit of struggle of our revolutionary predecessors who were loyal to the party and the leader in order to be able to achieve great progress in revolution and construction and finally

complete the chuche revolutionary cause. Therein lies the intention of our party in establishing the guideline for following the models of such indomitable revolutionary fighters as Kim Hyok and Ch'a Kwang-su who are portrayed as heroes in the movies.

Last year a new transformation was achieved in the ideo-mental aspects, the work ethics, and the livelihood of functionaries and workers by following the party's guideline to carry out forcefully the movie-hero enactment campaign.

Through the movie-heroes enactment struggle, functionaries learned how they must hold loyalty to the party and leader as a revolutionary conviction and righteousness, with what attitude and posture they must accept the tasks given by the party and how they must struggle strongly to the end in order to fulfill those tasks; like the heroes of the movies, they believed in the masses and called forth their creative zeal to carry out successfully their revolutionary tasks. Also, by forcefully carrying out the struggle to have the workers follow the lofty revolutionary spirit and struggle ethic of the movie-heroes, they displayed highly the revolutionary ethic of sacrificing all for the party and the revolution, for the fatherland and the people in the struggle for socialist construction, and they achieved great success in the struggle to create the "speed of the 80's."

The party's guideline for stoutly arming functionaries as revolutionary fighters who are endlessly loyal to the party and the leader through the movie-heroes enactment struggle has demonstrated its correctness and vitality.

Further intensifying the movie-heroes enactment struggle today is an important work to prepare functionaries and workers stoutly as shining and fervent revolutionary fighters and to achieve greater progress in revolution and construction.

The basis of following the model of such revolutionary fighters of the past as the young communists is holding endless loyalty to the party and the leader as a conviction, as righteousness.

Member of the Standing Committee of the Political Bureau of the Central Committee of the Korean Workers Party (KWP) and Secretary of the Central Committee Comrade Kim Chong-il has indicated as follows:

"Upholding changelessly the leader who has fostered us is the right way to do things for us communists." ("The Korean Workers Party is a Chuche-type Revolutionary Party that Has Succeeded to the Glorious (T' T) Tradition." pamphlet, p 34)

Art movies which portray the struggle of the young communists of the anti-Japanese revolutionary era such as, "The Star of Korea," "Rhododendron," or movies such as, "First March", "The Way to the Front", "To the End of the World", "Always One Mind", "The Vow of that Day", and "Wolmi-do" which depict the struggle of our functionaries and party members during the era of the construction of a new society after liberation, the severe wartime era and the post-war era have become true textbooks for indoctrinating functionaries and workers.

As seen in the movies, such as young communists as Kim Hyok, Ch'a Kwang-su, and So Chong-ae and comrades Kim Ch'ae-k and Chang Ch'ol-ku along with T'aesong grandmother were typical true revolutionaries who had a clear revolutionary leader view and were fully loyal to the respected and beloved leader.

The revolutionary spirit held by the indomitable revolutionary fighters was a lofty spirit that served the great leader, protected him stoutly, and unconditionally accepted and fulfilled the leader's ideology, lines, and guidelines. It was because their revolutionary-leader view was clearer than anyone else's that they were able to have such a lofty mental world and were able to sacrifice themselves unhesitatingly for the fatherland, the people, and the revolution.

The thing which our functionaries and workers living and making revolution in the 80's must always remember and defend is correctly succeeding to the lofty tradition of loyalty displayed by the young communists and the indomitable revolutionary fighters.

Our functionaries and workers must uphold the leader of the revolution with an unwavering heart, no matter how adverse the circumstances, and must follow the model of endless loyalty of other young communists and indomitable revolutionary fighters to be clear in the attitude and posture of upholding the leader and the party; they must carry out to the end the revolutionary tasks entrusted to them, no matter the circumstances, with the iron-like conviction that they will surely achieve victory when they go forth following the leadership of the party and the leader.

A thing which presents itself as an important problem in intensifying the movie-heroes enacted struggles in the current era is carrying out the work substantially to fit group characteristics.

Our party's guideline for intensifying the movie-heroes enacted struggles to fit group characteristics is intended to make the enacted struggles yield greater benefit by having people follow the model of heroes which can become material for their lives and work in the situation where people's ages, levels of preparation, entrusted guard posts, and revolutionary tasks to be carried out are different.

Functionaries and workers must uphold the party's guidelines and plan and organize the movie-heroes enacted struggles more concretely to fit the characteristics of their work.

Our functionaries and workers have received a great impression from the ideo-mental aspects and revolutionary struggle ethic of the movie-heroes in the process of the movie-heroes enacted struggles already being carried out. They have firmed their resolve to live and struggle as the heroes did. The main goal of the movie-heroes enacted struggles is to put into practice the firm resolve and the targets the people themselves have determined to achieve.

Functionaries and workers must concentrate on the art movie, "The Star of Korea," while intensifying the enacted struggles of other movies such as "Rhododendron," "The First March," and "To the End of the World" to achieve a fundamental transformation in work and life and establish high determined goals, realizing them thoroughly in revolutionary practice.

Another important thing in intensifying the movie-heroes enacted struggles is linking the work more closely with the conduct of revolutionary tasks.

Carrying out the movie-heroes enacted struggles linked closely to the process of the conduct of revolutionary tasks is a principle requirement of our party.

Only by closely linking work to follow the model of movie-heroes with the conduct of revolutionary tasks can we advance socialist construction more forcefully.

Today our people are realizing the great program for socialist economic construction in the 80's set forth by the party. This program is a great struggle task for transforming our country into a world economic power and achieving decisive progress in carrying out the socialist and communist cause.

Functionaries and workers must achieve a shining victory in socialist economic construction in the 80's by having endless loyalty to the party and the leader like the movie-heroes and by thoroughly fulfilling party policy in the spirit of absoluteness and unconditionality.

Functionaries and workers must idealize the teachings of the great leader Comrade Kim Il-gong and our party's guidelines through the movie-heroes enacted struggles process and display limitless devotion and sacrifice free of trifling excuses and reasons so as to establish the revolutionary ethic of unconditionally fulfilling tasks thoroughly. In particular, functionaries must follow the great leader-style work method to go deeply in among the masses to explain and instill party policy, to lead them forcefully to the fulfilling of party policy by the model of leading by example, and to overcome the difficulties they encounter with their own strength in the revolutionary spirit of self-reliance and arduous struggle. Thus, they must forcefully advance the construction of the five district battle lines and operate all factories and enterprises at full power to achieve a high productive upsurge.

State economic organ functionaries are command members of the revolution and faithful servants of the people.

All our party's lines and activities are consistent in providing for a more affluent and happy livelihood for the people.

Our functionaries, who are command members of the revolution and faithful servants of the people, can improve the people's livelihood one level and bind the masses tightly around the party to strengthen the power of our revolutionary ranks on all sides if they struggle for the people with a high party nature and people nature.

All state economic organ functionaries must have a high party nature and people nature and, like the movie-heroes who sacrificed all in struggles for the party, the revolution, the fatherland and the people. They must responsibly look after the livelihood of the workers while struggling devotedly to fulfill their duties as faithful servants of the people.

All functionaries must uphold the party's guidelines for following the model of the indomitable revolutionary fighters, including the young communists, and carry out their study of the theme ideas and great dialogues of the movies in greater depth to gain the high mental world of the indomitable revolutionary fighters. Also, they must carry out the movie-heroes enacted struggles substantially with a concrete methodology; they must establish higher determined goals and put them into practice without deviation.

Thus, they must realize greater benefit from our party's guideline for intensifying ideology indoctrination work through motion pictures and achieve an unbroken upsurge in socialist construction.

We are now living in an era of revolution and struggle.

Let all functionaries and workers advance the complete victory of socialism and the reunification of the fatherland and achieve greater victory in the holy struggle to make the 80's shine by gathering and advancing powerfully like a steel cordon around the Party Central Committee lead by the great leader Comrade Kim Il-song.

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CSO: 4110/090

N. KOREA/POLITICS AND GOVERNMENT

RECENT GOVERNMENT RESHUFFLE SEEN AS BOOST FOR KIM CHONG-IL

[Editorial Report] Seoul NAEWOE T'ONGSIN in Korean 9 March 1984 reports on pages 1L-9L that the DPRK's State Administration Council, SAC, organized into 16 ministries, 14 commissions, and 1 agency since the First Session of the Seventh SPA (April 1982), recently underwent reorganization.

One of the 14 commissions, the Commission of Building Materials, was reorganized into the Ministry of Building Materials and the Ministry of Forestry. In addition, two new ministries were created under the jurisdiction of the SAC: the Ministry of Mining and the Ministry of Coal Industry. As a result, the SAC now has 20 ministries, 13 commissions, and 1 agency under its jurisdiction. Another organizational change, which coincided with the appointment of Kang Song-san as head of the SAC (Premier), is the establishment of an Economic Policy Committee under the direct control of the Central People's Committee (CPC). These reorganizations are, according to NAEWOE T'ONGSIN, consistent with a previously established pattern and have important ramifications for what Pyongyang has been trying to accomplish.

Since the First Session of the 7th SPA, Pyongyang has shown an inclination to reduce the functions of the SAC to purely administrative ones specializing in economic affairs. For instance, it removed from the SAC to the CPC those ministries and commissions which were related to the maintenance of state power or the formulation of policies, while at the same time adding many new economic portfolios within the SAC.* As a result, the SAC became an organ whose primary function was to implement economic policies, and its top personnel became technocrats. The appointment of Kang Song-san as head of the SAC in this context meant that he became the principal link between the technocrat-dominated SAC in charge of implementing economic policies and the more powerful and politician-dominated CPC which makes policies for the SAC and oversees its operations.

* Those removed from the SAC are the Ministry of People's Armed Forces, the Ministry of Public Security, and the Commission on State Censorship. The newly created portfolios are the Ministry of Construction, the Commission of Foreign Trade, the Commission of Transportation, and the Academy of Science.

All of these organizational and personnel changes are in conformity with Pyongyang's scheme to facilitate Kim Chong'il's future political succession via a pivotal post within the CPC, NAEWOE T'ONGSIN speculated. Given the fact that Kang Song-san is a cousin of Kim Il-song (hence an uncle of Kim Chong-il) and that kinship is the most reliable barometer of loyalty in North Korea, the appointment of Kang Song-san as the head of the SAC seems an integral part of Pyongyang's design for hereditary succession, according to the same source.

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N. KOREA/MEDIA AND THE ARTS

KIM CHONG-IL'S ROLE IN LITERARY AND ARTISTIC REVOLUTION LAUDED

Pyongyang CHOSON YESUL in Korean Feb 84 p 12-13

[Part I of serialized article: "Literary and Artistic Revolution and the Brilliant Leadership"]

[Text] Beloved comrade Kim Chong-il, the wise leader of our party and our people, has paid great attention to literary and artistic projects from the very inception of his joining the glorious revolution, and has personally directed projects in this field.

When our beloved leader and comrade personally took charge of the projects in the literary and artistic fields in the early 1960's, our revolution called for the further increasing of the combat function and the combat role of literature and art through tightening the party's leadership in this field.

In the 1960's the imperialists led by America openly displayed their aggressive global war policies on an unprecedented scale, and stepped up their policy of cultural penetration into other countries.

On the other hand, the opportunists who have succumbed to the pressure of the imperialists cried out for literary and artistic freedom, and flatly rejected the party's leadership. They thus chose the path of reviving all sorts of reactionary bourgeois literary and artistic tendencies.

During this period, the state of our literature and art was very complicated. The anti-party and anti-revolutionaries hidden in our party plotted to weaken the party's leadership in literature and art by spreading all kinds of anti-party and anti-revolutionary ideas including bourgeois thought, feudalistic Confucian thought, dogmatism, and 'flunkeyism'.

Our literary and artistic development was hampered by some writers and artists who displayed a tendency towards becoming servile followers and admirers of foreign things, becoming dogmatists, or showing interest in reviving or praising things of the past.

As literature and art were in such a state, the tightening up of the Party's leadership in the field was more badly needed than at any time before.

On the basis of the justifiable needs for the development of our revolution, literature, and art, and as a result of his in-depth examination of the present state of literature and art, our beloved leader and comrade, with a great desire to inherit the noble task and develop chuche literature and art, has decided to take personal charge of the project.

Our beloved leader and comrade, who has deep understanding and broad knowledge of literature and art, has sought a true way to develop literature and art suited to the demand of the times and to the people's interests by adding his critical analysis and evaluation to the literary and artistic resources of the East and West, and that of the past and present.

Our beloved leader and comrade had been engaged in energetic pursuit of literature and art from his early childhood, through his youth, and during his university days. When he was actively involved with the art team of the young students, he was extremely aware of the need for developing our music on the chuche principle and for reforming our opera. Thereupon, he sought the true path for the development of musical art on the basis of the chuche principle. While evaluating motion picture promotion work, and translation and production work, he became acquainted with developing trends of our movies and the movies of other nations. He sought to determine the future direction of our motion picture art.

With his inexhaustible vigor for study and research, and on the basis of his profound analysis of the present state of literature and art, our beloved leader and comrade has taken up the leadership in literature and art. His grand design is to develop literature and art appropriate to the age of chuche by eliminating the worn out elements in literary and artistic content and style, and in all phases of the production system and method.

In leading literary and artistic works, our beloved leader and comrade has turned his primary attention to the promotion of motion picture art, and has turned an artistic film production studio into the center of model film production.

Our beloved leader, Comrade Kim Chong-il, pointed out as follows: "The party has concentrated its efforts to let film production take the lead in the literary and artistic field, and to let the artistic film production studio take the lead in film production field. The reason why motion pictures have been made the lead unit and the reason why the artistic film production studio has been turned into the reference center is because film making occupies the most important place in the literary and artistic field, and because the movie is playing an important role in the overall development of literature and art".

Motion picture art is an integrated art which has strong direct visual effects, and promoting it guarantees the mobility and the character of the masses. Because of its special nature and superiority, motion picture art is not only a powerful instrument for mass education, but it also plays an important role in developing other areas of the literary and artistic field.

The Choson Artistic Film Production Studio is the base of our country's important motion picture productions which benefit from our great leader's thoughtful guidance and deep affection.

Despite the difficult and complex atmosphere in which he led the task of building a new fatherland following our liberation, our great leader has personally ordered establishment of a motion picture production studio, has guided the film making projects in detail, and has shown great affection for film artists.

Our beloved leader and comrade has made the Choson Artistic Film Production Studio, which bore the history of our great leader's glorious revolutionary work as mentioned earlier, the model film making center. Determined to achieve a new overall development in literature and art by popularizing the studio, on June 5, 1963, he gave on-the-scene advice at the Choson Artistic Film Production Studio.

On that day, our beloved leader and comrade acquainted himself in detail with the conditions of the studio and film production, and developed advice on how to bring about a new turning point in film production.

First of all our beloved leader and comrade pointed out the central task to be undertaken by film artists.

The central task that our beloved leader and comrade mentioned was to produce many films which genuinely depict the self-reliant people who were endlessly loyal to our great leader.

By depicting the exemplary people of the time, the motion picture art must devote itself to educating the people both ideologically and culturally.

The model man is the one who is self-reliant and untiringly faithful to our great leader.

Our motion picture art can fulfill its mission as an instrument of mass education only by depicting exemplary self-reliant men and women who are boundlessly faithful to our great leader and to the party, and by presenting the people's life in both breadth and depth.

Our beloved leader and comrade stated that in order to produce many films which depict self-reliant men and women boundlessly loyal to our great leader, the writers and artists must correctly understand the requirements for the development of the revolution, understand clearly the intentions of the party, and apply the ideological essence in film making.

He went on to direct that the studio must bring about a new turning point in film making by using all its resources to produce new model films that depict the people's life in breadth and depth, and letting these experiences benefit all of the people.

Next, our beloved leader and comrade pointed out how to bring about the new turning point in film production.

Our beloved leader and comrade indicated that, in order to bring about a new turning point in film making, the writers and artists must first of all arm themselves firmly with our leader's revolutionary thoughts, and must establish thoroughly the party's ideological system in all production activities.

Our party's policies, which are the embodiment of our great leader's revolutionary thoughts, prescribe clearly all sorts of issues deriving from the revolutionary struggles and construction works, as well as issues arising from the ideological and spiritual attitudes and the method of activities. There are also issues surrounding the development of literature and art. Accordingly, the writers and artists can produce works that are ideologically charged and of artistically high quality. They can fulfill their duty as true literary and artistic warriors of the party only if they launch production activities after arming themselves firmly with the great leader's revolutionary thoughts and party policies.

Our beloved leader and comrade instructed the writers and artists in the film making industry to take seriously the advice of our great leader's film review, to improve their technical training, to display further their self-reliant revolutionary spirit, to equip adequately film production facilities, and to raise the standards of the technical and functional skills of the workers who handle production facilities.

He went on to advise the film artists to always live like revolutionaries and as if they themselves are the heroes and heroines of the movies. Through revolutionary practices, they must constantly train themselves, keep the surrounding environment of the artistic film production studio clean and cultural, and make the studio the starting point of the cultural revolution.

Our beloved leader and comrade indicated that to gain new momentum in film making, the role of leading functionaries must be decisively expanded.

To gain new momentum in film making, there must be a reform of the work of the leading functionaries and that is initiated by them.

Our beloved leader and comrade instructed them that to reinvigorate leadership in film production work, the leading functionaries must free themselves from the worn-out production ideas and attitudes, must produce motion pictures appropriate to the requirements of the times and the interest of our Korean revolution, and these production must be compatible

with the conditions of our country. He went on to say that the leading functionaries should make it a rule not to remain in their offices, but instead to go to where the film is being shot, and to study hard and raise the standards of their practical political work.

The on-the-scene guidance of our beloved leader and comrade at the Choson Artistic Film Production Studio marked a historic new turning point in literary and artistic construction on the basis of the chuche principle.

Since then, a new era of development has opened for our motion picture industry under the leadership of our beloved leader and comrade. It is now possible to develop effective model forms of art in revolutionary literature and in the art of the chuche period.

All the workers, writers, and artists in the field of literature and art, who so loyally received the instructions on motion picture art from the beloved leader, comrade Kim Chong-il, support him as the sole successor to our beloved fatherly leader, and also give high support to him as the guiding star of chuche art. They keep deep in their hearts the revolutionary conviction to be devoted and loyal to the fatherly beloved leader and comrade.

The workers, writers, and artists in the literary and artistic field panegyrized highly our beloved leader and comrade with unreserved respect and the highest admiration, giving him boundless trust as the leader of our party and our people. This has been an inheritance from the extreme loyalty of those young communists who had given strong support to the beloved comrade Kim Il-song as the guiding star of our people and as the great sun, and who had composed and spread the immortal revolutionary hymn, "Star of Korea" during the early dawn of our revolution. It is also the expression of our revolutionary conviction and iron will that we will forever support our beloved leader and comrade who is in the forefront of our party and revolution, and we will follow him to the end.

The intense loyalties of the writers and artists who uphold the leadership of the beloved leader and comrade were forged into one, and thus the history of chuche literature and art has entered a new chapter.

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